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FISCAL IMPACT STATEMENT

LS 6814

BILL NUMBER: SB 244

NOTE PREPARED: Jan 3, 2009

BILL AMENDED:

SUBJECT: Offender Reentry Administrative Account.

FIRST AUTHOR: Sen. Young R Michael

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill has the following provisions:

- A. It requires the Department of Correction (DOC) to provide each inmate who earns income in the DOC with an offender reentry administrative account (OEAA).
- B. It requires that 3% of an inmate's earnings be deposited in an OEAA. It requires the DOC to issue an inmate a check for the balance in the inmate's OEAA when the inmate is released or discharged from incarceration by the DOC.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Administrative Costs to Create New Accounts for Offenders*—DOC and the Auditor's Office may incur some administrative costs to create these new accounts although no new staff will be needed. Currently, an average of 261 offenders were employed in the programs during CY 2008.

Background—Under current law offenders in DOC facilities can work in the Prison Industries Enhancement Program (PIE). Offenders in the PIE program work in joint ventures with private sector companies to produce offender-made goods that are sold in interstate commerce. These offenders are paid prevailing wages (IC 11-10-7-3), which were around \$7.82 per hour between July 1 and September 30, 2008. By law, the earnings of these offenders are surrendered to the DOC where money is deducted for room and board expenses, state and federal taxes, victims compensation, and child support, if ordered by a court. Not less than 20% may be retained by the offender in an account that is administered by DOC.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DOC.

Local Agencies Affected:

Information Sources: Rebecca Deeb, DOC; National Correctional Industries Association,
<http://www.nationalcia.org/>

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